# India’s Demographic Dividend

## Why in news?

Interim budget announced the formation of “high-powered committee to study India’s population growth.

| Status of India’s demographic dividend |
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| • Demographic dividend, as defined by the United Nations Population Fund (UNFPA), is "the economic growth potential that can result from shifts in a population’s age structure, mainly when the share of the working-age population (15 to 64) is larger than the non-working-age share of the population (14 and younger, and 65 and older)".<br>• In 2022, India’s population stood at 1.417 billion, surpassing China’s 1.412 billion, making India the most populous country in the world.<br>• According to the latest projections by the United Nations, India’s population is expected to reach 1.46 billion by 2030, comprising 17% of the world’s projected population.<br>• India’s population growth and fertility have declined since the 1970s, this is reflected in the Total Fertility Rate which has been instrumental in shaping India’s demographic trajectory.<br>• India’s TFR will drop to 1.73 by 2035, leading to a demographic transition with more working-age people and fewer children.<br>• As per *Economic Survey 2018-19*, India’s demographic dividend age will peak around 2041, when the population of working age (those aged 20 to 59 years) will reach 59%. |

## What is population growth committee?

- **Mandate**- To study India’s population growth to ensure that the nation is on target to meet the Viksit Bharat goal by 2047.

  *The term ‘Viksit Bharat’ means ‘Developed India’. Viksit Bharat 2047 represents the government’s vision to transform the county into a developed entity by its 100th independence in 2047.*

- **Role-** To examine the "challenges arising from fast population growth and demographic changes.
- **Address issues**- It will focus on issues such as family planning, maternal and child health, education, employment, and socio-economic development.
- **Interdisciplinary approach**- The committee will draw expertise from fields such as demography, public health, economics, sociology, and governance.

## What the population committee should consider?

- **Modernise data infrastructure**- It includes establishing robust systems for data

collection, management and analysis, need to upgrade data collection methods to ensure data security and privacy.

- **Data reliability**- Independent audits, data validation exercises, and peer review processes can help identify and rectify data errors and inconsistencies.
- **Open data initiatives**- It can facilitate access to population data for researchers, policymakers, and the public, making population data freely available in standardised formats promotes data reuse, transparency, and accountability.
- **Multi-stakeholder approach**- It should collaborate with various stakeholders, including government agencies, non-governmental organisations, civil society groups etc., to fostering partnerships and enable collective action to carry out population-related policies and programmes at the national and grass-root levels.
- **Awareness generation**- The committee should empower individuals and communities with accurate information and resources, this would promote responsible family planning practices and improve health outcomes.
- **International cooperation**- The population committee should also facilitate international collaboration with UN Population Division, World Bank etc., for the exchange of best practices in population management.

## How India can leverage its demographic dividend?

- **Invest in human capital**- To maximise the benefits of a favourable age distribution, India must invest in greater development of its human capital.

*Human capital is the intangible collective resources possessed by individuals and groups within a given population.*

- **Increase fund in health**- India requires concerted efforts to ensure access to essential commodities, nutrition programmes targeting vulnerable populations, and interventions to improve water availability and sanitation.
- **Employment generation-** It is essential to absorb India's large and young workforce, this would reduce poverty and inequality.
- **Formalisation of workforce**- India needs to integrate the informal sector which accounts for about 90% of India's employment with formal sector, this would improve productivity, wages and social protection for millions of workforce.
- **Skill upgradation**- To ensure that the growing proportion of middle-aged workers can keep up with the changing demands of an increasingly technologically driven economy, we must invest in continued skill upgradation and on-the-job training above and beyond formal education.
- **Focus on dependency burden**- Rising retirement age, enhanced old age pension schemes, and increased ability to sell land or homes this will increase the ability of older population to be self-sustaining.

*Dependency burden is defined as the number of individuals ages 15-59 supporting children under 15 and older population above 60, will vary dramatically between states.*

- **Gender equality-** Female labour force should be empowered as they face issues such as social norms, discrimination and lack of education and skills.
- **Address gender disparity-** Improve access to education, health and promote family planning practices are crucial in ensuring inclusive and sustainable development.

## What lies ahead?

- India can realise its demographic potential by adopting a holistic approach to population management, prioritising investments in health, education, employment and statistical systems.
- India can navigate its demographic transition to emerge as a global leader in inclusive and sustainable development with strategic planning, effective implementation and international collaboration

## References


1. The Hindu- Charting a path for population committee
2. Indian Express- Population growth committee


